

**MANUFACTURING INCENTIVE AGREEMENT BETWEEN SUMTER
COUNTY, FLORIDA AND UNITED AGRICULTURAL SERVICES, INC.**

THIS MANUFACTURING INCENTIVE AGREEMENT (the "Agreement") is entered into this 27th day of November, 2012, by and between Sumter County, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, the governing body thereof, whose principal address is 7375 Powell Road, Wildwood, Florida 34785, hereinafter referred to as "COUNTY", and United Agricultural Services, Inc., whose principal business address is: 534 CR 529A Lake Panasoffkee, Florida 33538, hereinafter referred to as "COMPANY", and in furtherance of same the parties to this Agreement hereby state the following:

WITNESSETH:

WHEREAS, COUNTY intends to enter into a Purchase and Sale Agreement with COMPANY, concurrent with this Agreement, which contemplates an exchange of a parcel of surplus property belonging to COUNTY with a comparably sized parcel of property belonging to COMPANY; and,

WHEREAS, COUNTY has determined that COMPANY is eligible for the Manufacturing Job Tax Credit (MJTC) incentive program; and,

WHEREAS, COUNTY wishes to provide COMPANY with alternative economic incentives to be included within the aforementioned Purchase and Sale Agreement in lieu of the MJTC it may otherwise be eligible for, and COMPANY is willing to accept such incentives in lieu of the MJTC; and,

WHEREAS, COUNTY is desirous of attracting economic investment to Sumter County, Florida especially from those existing industries located within Sumter County,

Florida, in order to contribute to the economic growth, provide gainful prosperity, public health, and general welfare to the people of Sumter County, Florida; and,

WHEREAS, COUNTY has determined that offering grant funding incentives to eligible industry encourages either existing businesses to expand their operations or new industries to establish themselves and/or relocate in Sumter County, Florida, thereby creating increased tax revenue and economic opportunities for the citizens of Sumter County, Florida; and,

WHEREAS, COMPANY is an existing business seeking to expand its operations within Sumter County, Florida; and,

WHEREAS, COMPANY intends to expand its operation on the parcel of property to be acquired through the Sales and Purchase Agreement and expand its workforce within Sumter County, Florida in an effort to create additional full-time employment opportunities at a certain average salary level and make certain capital investments within Sumter County, Florida, in accordance with the COUNTY's Land Development Code, Comprehensive Plan, and Building Codes; and,

WHEREAS, COMPANY has been duly certified as a target agribusiness manufacturer by COUNTY; and,

WHEREAS, COUNTY has determined that in order to enhance and preserve the health, education, and welfare of its citizens, it is necessary, proper, and desirable to enter into this Agreement with COMPANY in order to enhance the economic development of Sumter County, Florida; and,

WHEREAS, the COUNTY finds and declares that it is in the public's best interest and serves a legitimate public purpose to award economic incentives to COMPANY pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that COMPANY is entitled to certain economic incentives as set forth below based upon the following terms and conditions:

1. The above **WHEREAS** clauses are incorporated into this Agreement, *in haec verba*.

2. COMPANY is duly organized and validly existing under the laws of the State of Florida and is authorized to do business, and is doing business in the State of Florida; furthermore, COMPANY'S NAICS industry designation is 325314 (Fertilizer (Mixing Only) Manufacturing).

3. COMPANY has the corporate power, authority, and legal right to execute, deliver, and perform this Agreement. COMPANY represents that the execution, delivery, and performance of this Agreement by COMPANY is duly authorized by any and all necessary corporate and shareholder action.

4. Within twelve (12) months of the date of the execution of this Agreement, COMPANY shall increase its workforce in Sumter County, and shall make a minimum capital improvement to real property to expand its Sumter County operations in an amount which is at least \$500,000.00..

5. Within twelve (12) months of the date of the execution of this Agreement, COMPANY agrees to increase its full time employment by adding at least ten (10) new full-time positions to its operations within Sumter County, Florida, over and above its base number of employees.

6. Based upon COMPANY's representation that it will create a minimum of ten (10) full-time jobs over and above its base number of employees, together with the other conditions of this Agreement, COUNTY has authorized incentives for COMPANY as follows (See Exhibit A):

[a.] Construction of a new COUNTY Road connecting to, and South of C-470. The new road shall include construction of 175 linear feet (more or less) of asphalt roadway, built to COUNTY's specifications, immediately adjacent to the property acquired from COUNTY by COMPANY in the Purchase and Sale Agreement approved November 27, 2012.

[b.] Construction of a de-acceleration lane for Eastbound traffic on C-470, to allow right turns onto the new COUNTY Road referenced in 6[a.] above, as well as tapering to simulate a minimum acceleration area for Eastbound traffic from the new COUNTY Road onto C-470.

[c.] Joint use of COUNTY property adjoining C-470 for detention/retention purposes, to allow for replacement of the current COMPANY detention/retention area located at the Northwest corner of its property identified by the Sumter County Property Appraiser as Parcel J14=030.

[d.] Simultaneously with the widening of C-470, COUNTY shall construct the remainder of the new County Road along the Western property line of the property

acquired from COUNTY by COMPANY in the Purchase and Sale Agreement, approved November 27, 2012, to its southern most property line and then West to connect to CR 529.

[e.] Simultaneous with the widening of C-470, COUNTY shall provide a full median crossing for C-470 at CR 529 and CR 529A, if not otherwise provided by other parties prior the C-470 widening project.

7. COMPANY shall maintain at its place of business in Sumter County, Florida, all personnel records and other documents pertaining to the creation of a minimum number of permanent new jobs and the retention of such jobs, as economic development forms the basis of this Agreement. Such records shall be made available at the COMPANY's place of business at all reasonable times during the term of this Agreement and for five (5) years after the termination of this Agreement.

8. COMPANY agrees that COUNTY, or its duly authorized representative shall, until the expiration of five (5) years after termination of this Agreement, be authorized to examine any of COMPANY'S documents referred to in Paragraph seven (7) above.

9. COMPANY, in performing its obligations under this Agreement, hereby warrants and represents that it will use its best efforts to provide maximum performance and services consistent with the spirit and intent of the Sumter County incentive program and this Agreement..

10. This Agreement shall become effective upon execution by the COUNTY and the COMPANY, and shall remain in full force and effect for a period of five (5) years. The COMPANY shall provide the COUNTY with annual verifications regarding

the number of created jobs and the wages paid to those employees while working within COUNTY. The documentation shall be in a format approved by COUNTY and shall include copies of Florida quarterly UTC-6 forms and Internal Revenue Service W-2 forms to be made on a calendar year basis and to be submitted to Bradley Arnold, Sumter County Administrator, at the Sumter County Government Center, 7375 Powell Road, Wildwood, Florida 34785, no later than February 15th of each calendar year.

11. The County Administrator, in his or her sole and absolute discretion, may extend this Agreement for up to one (1) year after the expiration date for good cause shown. If an extension is granted, it shall be documented in writing, and all timeframes in the Agreement shall be extended for the same period of time.

12. This Agreement shall not be assigned by either party without the prior written approval of the non-assigning party. This Agreement shall be binding upon and inure to the benefit of the parties hereto. The parties do not intend to create any third-party beneficiaries by virtue of entering onto this Agreement

13. Whenever either party desires to give notice unto the other, written notice shall be sent via hand delivery, first class mail or overnight carrier to:

COUNTY

Bradley Arnold
County Administrator
The Villages Sumter County Service Center
7325 Powell Road
Wildwood, Florida 34785

COMPANY

Lajos Pecsenska
President
United Agricultural Services, Inc.
534 CR 529A
Lake Panasoffkee, Florida 335388

14. COMPANY agrees that it will not engage in any action that would create a conflict of interest in the performance of its obligations pursuant to this Agreement with

COUNTY, or which would violate or cause others to violate the provisions of Part III, Chapter 12, Florida Statutes, relating to ethics in government.

15. COMPANY hereby certifies that no officer, agent, or employee of COUNTY has any material interest as defined in Section 112.312, Florida Statutes, either directly or indirectly, in the business of COMPANY, and that no such person shall have any such interest at any time during the term of this Agreement.

16. COMPANY hereby agrees that monies received from COUNTY pursuant to this Agreement will not be used for the purpose of lobbying the legislature, the judicial branch, or any state or federal agency as defined in Section 216.347, Florida Statutes.

17. This Agreement shall be governed by the laws of Florida and shall be deemed to have been prepared jointly by the COMPANY and the COUNTY, and any uncertainty or ambiguity existing herein, if any, shall not be interpreted against either party, but shall be interpreted according to the application of the rules of interpretation for arm's-length agreements. Venue for any dispute, claim or action arising out of or related to this Agreement shall be in the Circuit Court of the Fifth Judicial Circuit in and for Sumter County, Florida. Each party hereto shall bear their own attorneys' fees and costs in the event of any dispute, claim, action or appeal arising out of or related to this Agreement.

18. COMPANY does hereby covenant and agree to indemnify, defend, and hold the COUNTY, its agents, and employees, harmless from all fines, suits, claims, demands, actions, costs, obligations, attorneys' fees, or liability of any kind arising out of the negligent actions or willful actions of the COMPANY or its agents or employees. COMPANY also agrees to assume all risk in the operation of its business and shall be

solely responsible and answerable for any and all accidents or injuries to persons or property arising out of its performance of this Agreement.

19. COMPANY assumes total responsibility for salaries, employment benefits, contractual rights and benefits, contract payments, and federal, state, and local employment taxes, if any, attributable to COMPANY personnel or contractors, and agrees to indemnify and hold the COUNTY harmless from any responsibility for same.

20. In performing this Agreement, any planning, developing, construction, equipping, operating of any project, or carrying out any of the activities to be carried out by the COMPANY, COMPANY acknowledges that it will be acting independently, in the capacity of an independent entity and not as a joint venture, partner, associate, employee, agent or representative of the COUNTY.

21. This Agreement is made for the sole benefit of the parties hereto and their respective successors, including any successor in interest to the COMPANY's interest, and is not intended to and shall not benefit any third party. No third party shall have any rights hereunder or as a result of this Agreement or any right to enforce any provisions of this Agreement.

22. The terms and conditions of this Agreement placed upon the COUNTY are applicable only to the extent they are within and consistent with the constitutional and statutory limitations on the authority of the COUNTY. Specifically, the parties acknowledge that the COUNTY is without authority to grant or pledge a security interest in any of the COUNTY'S revenue sources or property, and is only obligated to make payments in accordance with this Agreement as funds are available after adoption of the Sumter County budget.

23. Default:

For purposes of this Agreement, "event of default" shall mean any of the following:

[a.] COMPANY misapplies or causes the misapplication of COUNTY funds received pursuant to this Agreement, if applicable.

[b.] Any representation or warranty made by the COMPANY herein or in any statement, invoice or certificate furnished to the COUNTY in connection with the performance of this Agreement which proves to be untrue in a material respect as of the date of issuance or making thereof to the COUNTY by the COMPANY.

[c.] COMPANY materially breaches any covenant contained in this Agreement and such breach continues or is not corrected or cured within thirty (30) days after written notice thereof to the COMPANY by the COUNTY; provided however, that the COUNTY may declare a lesser cure period in the event that it finds, in its sole and absolute discretion, that such lesser period is necessary to protect the public health, safety, or welfare.

[d.] COMPANY fails to provide the COUNTY the written verification, satisfactory to the COUNTY, of its performance obligations herein.

[e.] COMPANY fails to expend or use funds in accordance with this Agreement, if applicable.

[f.] COMPANY fails to create and maintain the minimum number of qualifying permanent full-time new jobs in Sumter County within one (1) year after execution of this Agreement and throughout the term of the Agreement.

[g.] COMPANY closes its business, moves out of Sumter County, or loses its status as a NAICS business at any time during the Agreement period.

24. Time is of the essence of this Agreement.

25. It is declared to be the intent of COUNTY, that if any section, subsection, sentence, clause, or provision of this Agreement is held invalid, the remainder of this Agreement shall be construed as not having contained said section, subsection, sentence, clause, or provision, and shall not be affected by such holding.

26. This Agreement constitutes the entire Agreement of the parties with respect to the subject matter hereof, and may not be modified or amended except by a written instrument equal in dignity herewith and executed by the parties to be bound hereby.

27. COMPANY agrees that no representations have been made by the COUNTY in order to induce the COMPANY to enter into this Agreement other than as expressly stated in this Agreement.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on
the ____ day of _____, 20__.

[SEAL]

BOARD OF COUNTY COMMISSIONERS
OF SUMTER COUNTY, FLORIDA

ATTEST:

By: _____

COMPANY:

WITNESSES:

By: _____

Signature of Witness

Print Name of Witness

Signature of Witness

Print Name of Witness

STATE OF FLORIDA
COUNTY OF SUMTER

The forgoing instrument was acknowledged before me this ____ day of
_____, 20__, by _____ of
_____, a Florida corporation, in his/her capacity as
_____ on behalf of the corporation. He is personally known to me, or
has produced _____ as identification.

Notary Public

Printed Name of Notary Public
My Commission Expires:

